

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

OSCODA PLASTICS, INC.,

Plaintiff/Counter Defendant,

v.

Case Number 09-11532-BC
Honorable Thomas L. Ludington

ALLIED COMPANIES, L.L.C.,

Defendant/Counter Claimant.

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ORDER DISMISSING ORDER TO SHOW CAUSE

On April 23, 2009, Defendant removed Plaintiff's complaint to this Court. Defendant contends that this Court's subject matter jurisdiction is predicated on the diversity of the parties' citizenship. Dkt. # 1 at 2 (citing 28 U.S.C. § 1332(a)(1)). It is undisputed that Plaintiff is a Michigan corporation with its principle place of business in Michigan. Dkt. # 1 at 7. With respect to Defendant, it is undisputed that it is a North Carolina Limited Liability Company. *Id.* at 3. The citizenship of each member of Defendant, however, is not identified in the complaint or the notice of removal. On June 2, 2009, the Court ordered Defendant to show cause why this Court had jurisdiction over the complaint. Dkt. # 5.

"[F]ederal courts have an independent obligation to investigate and police the boundaries of their own jurisdiction" *Douglas v. E.G. Baldwin & Assocs., Inc.*, 150 F.3d 604, 607 (6th Cir. 1998). "It is well settled that as a matter of statutory construction, diversity of citizenship requires complete diversity between all plaintiffs on one side and all defendants on the other side." *Glancy v. Taubman Ctr., Inc.*, 373 F.3d 656 (6th Cir. 2004) (citing *Caterpillar, Inc. v. Lewis*, 519 U.S. 61, 68 (1996)). A corporation is "a citizen of any State by which it has been incorporated and of the

State where it has its principal place of business” 28 U.S.C. § 1332(c)(1). The citizenship of a limited liability company, however, is determined in a different manner. *Homfeld II, L.L.C. v. Comair Holdings, Inc.*, 53 F.App’x 731 732-33 (6th Cir. 2002) (citing *Cosgrove v. Bartolotta*, 150 F.3d 729, 731 (7th Cir. 1998) and *Navarro Sav. Ass’n v. Lee*, 446 U.S. 458, 464 (1980)). A limited liability company’s citizenship is derived from the citizenship of each of its members. *Id.*

On June 19, 2009, Defendant responded to the Court’s Order, identifying each member of Allied Companies, L.L.C. as a citizen of North Carolina Dkt. # 8. Defendant has satisfied its burden by demonstrating that complete diversity of the parties exists and that the Court retains subject matter jurisdiction over the complaint. *See Glancy v. Taubman Ctr., Inc.*, 373 F.3d 656 (6th Cir. 2004).

Accordingly, it is **ORDERED** that the April 29, 2009 Order to Show Cause [Dkt. # 10] is **DISMISSED**.

s/Thomas L. Ludington
 THOMAS L. LUDINGTON
 United States District Judge

Dated: June 23, 2009

PROOF OF SERVICE

The undersigned certifies that a copy of the foregoing order was served upon each attorney or party of record herein by electronic means or first class U.S. mail on June 23, 2009.

s/Tracy A. Jacobs
 TRACY A. JACOBS